



BOARD OF DIRECTORS
BOARD MEETING MINUTES

AGENDA ITEM	DISCUSSIONS/CONCLUSIONS	ACTIONS/FOLLOW-UP/ RESPONSIBLE PARTY
PRESENT AT MEETING:	<p>Board Members: Roger Kahn, President; John Mohun, Vice President; Karen Sessler, M.D., Secretary; Larry Long, Treasurer; Dale Chamblin, Board Member</p> <p>Staff: Bob Schapper, Chief Executive Officer; Virginia Razo, PharmD, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Janet Van Gelder, Quality Director; Peter Taylor, M.D.; Michelle Cook, Executive Assistant</p> <p>Others: Bill Abalona, Legal Counsel</p>	
1. Call to Order	Mr. Kahn called the meeting to order at 4:09 p.m.	
2. Roll Call	Roll call reflected that all Board Members were present.	
3. Clear the Agenda/Items Not On the Posted Agenda	<ul style="list-style-type: none"> • Mr. Kahn: <ul style="list-style-type: none"> ✓ Cleared the agenda; ✓ Announced the items that will be heard in closed session this evening; 	
4. Input -- Audience Employee Associations	Audience input was sought, but none was offered.	
5. Closed Session:	The meeting proceeded into closed session at 4:10 p.m.	
A. Approval of closed session minutes of	A copy of the attachment is in the closed session packet.	<u>It was moved by Dr. Sessler and seconded by Mr. Long to approve the closed session minutes of 5/28/13 as presented. Motion carried unanimously</u>
B. Health & Safety Code Section: 32155	Ms. Van Gelder and Dr. Taylor joined the meeting for this agenda item. Discussion was held.	
C. Government Code Section 54956.9	Mr. Abalona joined the meeting for this agenda item. Discussion was held.	
D. Chief Executive Officer	Discussion was held.	



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Monthly Performance Evaluation		
E. Medical Staff Credentials	Dr. Barta and Ms. Schneider joined the meeting for this agenda item.	
6. Dinner Break	A dinner break was taken at 5:37 p.m.	
7. Open Session Call To Order	Mr. Kahn called the open session to order at 6:13 p.m.	
PRESENT FOR OPEN SESSION:	<p>Board Members: Roger Kahn, President; John Mohun, Vice President; Karen Sessler, M.D., Secretary; Larry Long, Treasurer; Dale Chamblin, Board Member</p> <p>Staff: Bob Schapper, Chief Executive Officer; Virginia Razo, PharmD, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Carl Gerlach, Director of Planning & Business Development; Terri Schnieder, Medical Staff Director; Judy Newland, RN, IVCH Administrator/Chief Nursing Officer; Linda Harman, RN, Director, Surgery; Rick McConn, Facilities Director; Alex MacLennan, Non-Clinical Educator; Ted Owens, Director, Community Development; Paige Thomason, Director, Marketing & Communications; Mike Geney; Michelle Cook, Executive Assistant;</p> <p>Others Present: Gina Barta, M.D., Chief of Staff; Shawni Coll, M.D.; Robert Chase, M.D.;</p>	
8. Clear The Agenda/Items Not on the Posted Agenda	The agenda was cleared. Mr. Kahn asked if there were any changes to the posted agenda. There were none.	
9. Input – Audience	Audience input was sought.	
10. Input From Employee Associations	There was no input from the Employee Associations.	
11. Medical Staff Report	<ul style="list-style-type: none"> • Dr. Barta gave the Medical Staff Report, highlights as follows: 	



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	<ul style="list-style-type: none"> ✓ Ms. Schapper is working on a PPO sheet for the medical staff; ✓ At the Medical Executive Committee, Ms. Razo mentioned that Caroline Ford will be the Executive Director of the Wellness Neighborhood; ✓ Dr. Forner, neurologist, has submitted an application; ✓ The Urology group that Dr. Drew works for is interested in opening a clinic here and renting space in the local community; ✓ General Surgery - Dr. Conyers has applied and the details of her contract are pending. Drs. Conyers and Cooper are making reference calls; ✓ Ms. Razo and Ms. Schapper are working on proposals with Dr. Kitts that will allow him to work more collaboratively with Drs. Cooper and Conyer; <ul style="list-style-type: none"> • Mr. Long asked Ms. Barta what the medical staff's vision is for general surgery; • Dr. Barta responded that the medical staff are primarily focused on basic surgery and the call function. Dr. Kitts has a skill set that most rural hospitals do not have the privilege of utilizing. It is unfortunate he is not doing elective cases. She asked Ms. Razo to work with Dr. Kitts on a business proposition to see if he wanted to do more elective cases; ✓ Ms. Razo spoke with the medical staff about Ms. Midian Downing's recommendation for the hospital to stay HFAP certified rather than moving towards The Joint Commission (TJC). Her recommendation was made based on the multiple construction projects, the EMR 	



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	<p>project, and the resources are limited to work on what needs to be done to be compliant with the TJC standards;</p> <ul style="list-style-type: none"> ✓ As requested by the Medical Executive Committee, Ms. Razo will invite Ms. Betts to their next meeting to discuss the financial health of the District, the changes in the Health Care Reform Act, and the challenges with the EMR system; <ul style="list-style-type: none"> • Mr. Kahn mentioned this may be the first year since Mr. Schapper has been CEO that the District will not meet budget. He emphasized the importance of Ms. Betts attending the medical staff meetings to update the physicians; ✓ The IDC 10 plan was discussed with the medical staff and Ms. Razo will be updating them on the training plan; ✓ Ms. Newland is working on cell phone service in the Emergency Department and Operating Room; ✓ Ms. Abby Thomas, R.N., and Mr. Jim Sturtevant, R.N., are researching oxygen requirements that they will provide to Dr. Lombard as the Chair of the Department of Medicine; ✓ The Emergency Room physicians will have read only access to EPIC; ✓ Ms. Newland spoke to the medical staff about the Interim Birthing Plan. Ms. Newland will provide an estimate date of completion of the Interim Plan when available; ✓ Mr. Kahn discussed the financial year end forecast. He requested the Medical Executive Committee to participate in the annual CEO evaluation. This will be 	



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<p>12. Consent Calendar: A. Minutes of Meetings of: 5/22/13 & 5/28/13 B. Financial Report – April 2013 C. Financial Report – May 2013</p>	<p>completed in the next few months;</p> <p>Mr. Kahn asked if anyone wanted to pull anything from the consent agenda.</p> <ul style="list-style-type: none"> • The meeting minute changes to the 5/28/13 Regular Board Meeting are the following: <ul style="list-style-type: none"> ✓ Mr. Mohun was listed as presiding over the meeting instead of Mr. Kahn; ✓ Dr. Sessler’s comment in the Hospice Report will be changed to “67% of cancer patients died within seven days”; ✓ Page numbers will be added to the 5/22/13 Joint Board/ Medical Staff minutes. 	<p><u>It was moved by Mr. Long and seconded by Dr. Sessler to approve items A-C. Motion carried unanimously.</u></p>
<p>13. Executive Officer’s Report A. COO Operations Report – Just Culture Implementation Update B. Nursing Report C. IVCH Report</p>	<p>Mr. Schapper said in addition to the Chief Executive Officer’s written report;</p> <ul style="list-style-type: none"> ✓ He gave an update on the formation of National Rural Accountable Care Organization (ACO), the work of the Sierra Crest group, and a potential collaboration with Renown; ✓ Ms. Barr continues to work with the District through August 30, 2013, as she finishes out her second year term on the HRSA grant. The national physician groups have been engaged with ACOs in a lot of the urban areas. There has not been an organized effort in rural communities. As part of the extension with HRSA grant, Ms. Barr will advance the National Rural ACO. She does not have a personal interest because the ACO is a corporation. She is now soliciting rural hospitals for her ACO application; ✓ The hospital has been collaborating with the Sierra Crest hospitals to work on market share coverage. The hospital’s current strategy is to work on a collaboration with Renown. 	



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	<p>This would involve a clinical integration and may lead to an ACO application;</p> <ul style="list-style-type: none"> ✓ He reported that there has been a change in administration at Renown and they are working towards collaborating with other hospitals. Renown had been known for being predatory by admission from their current Board and leadership. In the past, they had not been collaborative with the medical staff in Reno and the rural communities in Nevada and California; ✓ In the next few weeks, there will be a set of meetings with the Sierra Crest Leadership and Renown. He provided Renown with background on the District's relationships with UC Davis and UC San Francisco and how this will not negatively affect them. He feels more confident that as markets are transitioning, there are collaborative opportunities for the District; ✓ He provided background on the managed care system; ✓ Mr. Mohun would like more investigation made in regards to ACOs. He does not think the District needs to join one. He believes the focus should be on the physicians relationships with their patients; ✓ Mr. Kahn said the ACO may take our patients before we chose to join one; ✓ Mr. Schapper said it will be the Board's decision on whether to join an ACO or take the risk of not joining. He wants to protect our physician's market share, because the hospital is where physicians go to have their patients cared for. He will bring forward any recommendations to join an ACO; ✓ Dr. Sessler asked Mr. Schapper if the deadline to join an ACO is July 31, 2013; 	



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	<ul style="list-style-type: none"> ✓ Mr. Schapper said if the Board decides to join an ACO, they can join anytime after July 31, 2013; <p>Ms. Razo gave the Chief Operating Officer Report, highlights as follows:</p> <ul style="list-style-type: none"> ✓ She thanked Drs. Barter and Standteiner for assistance with the Hospitalist Program. The Hospitalist Program will improve patient satisfaction and quality goals. They are building in terms of the agreement a focus on quality indicators. In addition, they are working on the final details on a fair market compensation. The contracts and further discussion will be held at the July Governance Committee Meeting; ✓ The accreditation recommendation was approved at the Medical Executive Committee by way of vote. The recommendation came about due to the IT conversion, resource constraints, and ongoing construction projects. The hospital will reevaluate TJC at a future date that will be determined by priorities and resources; ✓ The management team has been working to identify areas where they can control costs. They will be using their own personal leave when appropriate. This has not been implemented at the staff level to date; ✓ The Skilled Nursing Facility had their annual survey with the State and were found to have no deficiencies; ✓ They are rapidly implementing the Just Culture plan. The front line staff will be seeing more material about Just Culture in the upcoming months; <ul style="list-style-type: none"> ✓ Ms. Newland had nothing further to add to the written 	



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	<p>nursing report;</p> <ul style="list-style-type: none"> ✓ Dr. Sessler requested Ms. Newland communicate the Board's appreciation to the Auxiliary. 	
<p>14. Board Committee Reports/Recommendations</p>		
<p>A. Finance Committee</p>	<p>Mr. Long stated:</p> <ul style="list-style-type: none"> • The Finance Committee met yesterday and reviewed the April and May financial reports; <ul style="list-style-type: none"> ✓ April was a difficult month. The census was down. Contractual allowances were up 3 million higher than expected and expenses were driving the EBIDA line down. The primary drivers were CPSI and the payor mix; ✓ The May financials rebounded. The outpatient and inpatient were busy. Net revenues were up by almost 1 million from budget. Expenses were high again, but this led to a net revenue on the EBIDA line of better than \$500,000 of target; ✓ On the April and May Balance Sheet. The AR continued to be high by almost 7 million from last year; ✓ The Truckee Surgery Center made a cash distribution; ✓ Ms. Betts discussed the CPSI work around to make CPSI to improve AR; ✓ They discussed the Measure C Project and medical reimbursements. This will be discussed in more detail at the next meeting. A summary will be provided for the Board; ✓ The timing of 2014 operating budget will be the end of August with final approval in September. This will affect the audit for the fiscal year 2013 close. This will be reported in November of this year; 	



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	<ul style="list-style-type: none"> ✓ Mr. Chamblin said they talked about the cost of the CPSI disruption and how this may effect next year's budget and another round of software; ✓ There is a second round of bills going. The mailing address was swapped with the physical address in the previous round. 	
<p>15. Items for Board Discussion And/Or Action</p>		
<p>A. Professional Services Agreement, Medical Director, Health Information Technology, Syndi Keats, MD</p>	<p>Ms. Razo stated:</p> <ul style="list-style-type: none"> • She is requesting approval from the Board for Dr. Keats to be the Medical Director of Health Information Technology; • Dr. Keats has been serving on the Med Tech Council and she was involved with the successful implementation of the T-System in the Emergency Room; • She approached Ms. Razo when implementing CPSI to be the lead physician champion. Dr. Keats is willing and able to participate from the physician perspective on the EMR; • The downside of having a medicine physician is that Dr. Keats does not work in the system. She would work as an education champion; • She would be working on all IT projects related to the physicians; • Mr. Mohun asked Ms. Razo if Dr. Keats will be investigating different EMRs; • Ms. Razo said Dr. Keats will be looking into different EMRs and is interested in how technology benefits the physicians. She will also be involved in the ICD 10 and T-System update. The medical staff respect her opinions; • Mr. Schapper added that Dr. Keats is a committed and passionate physician, who does not hold back, and wants 	<p><u>It was moved by Mr. Long and seconded by Mr. Mohun effective June 1, 2013 for approval of the Professional Services Agreement, Medical Director, Health Information Technology, Syndi Keats, MD. The motion was passed unanimously.</u></p>



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	<p>the physicians to have a voice.</p>	
<p>B. Interim Birthing Project Bid Award, Rejection, and Negotiation</p>	<p>Mr. Geney is asking the Board to authorize approval for Actions 1-4: <u>Action # 1:</u> Geney – Gassiot Inc, recommends the Board of Directors award the following contracts:</p> <ul style="list-style-type: none"> • ACCO Engineered Systems, Inc • B.T. Mancini Co., Inc. • Echelon Electric • J.B. Fire Systems • Kinetics Mechanical Service, Inc. • Lindell's Paint • Gore Industries • Raglen System Balance, Inc. • Schneider Electric <p><u>Action #2:</u> It is recommended the Board of Directors to reject the following bids that are over budget:</p> <ul style="list-style-type: none"> • Alcal Specialty Contracting • Allegro Construction • Casework Solutions, Inc. • The Nvision Companies <p>They would like approval to dispense with further competitive bidding, and authorize staff to solicit additional proposals, negotiate and enter into contracts within the budget;</p> <p><u>Action # 3:</u> There were no bids received for the Division 10 Specialties scope of work. They are seeking authorization to dispense with further competitive bidding, and the authority to solicit proposals within our budget;</p> <p><u>Action #4:</u> They are recommending that the Board approve the Total Development Cost of \$2,144,142, inclusive of Actions 1-3.</p>	<p>It was moved by Mr. Mohun and seconded by Mr. Long to approve Action items 1-4. Motion carried unanimously.</p>



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15. Agenda Input For Upcoming Committee Meetings	Personnel Committee Finance Committee Special Board Meeting Governance Committee	
16. Items for Next Meeting	<ul style="list-style-type: none"> Mr. Kahn reminded the Board members to work on the CEO Evaluation. They are to fill out the 2012 Board Form and the narrative on the CEO draft goals. Board members are to return these forms to him by the next board meeting for the Personnel Committee to review in August. The medical staff input will be provided in August; Mr. Schapper has a modified version of the goals and will have Ms. Cook place on the portal; Mr. Kahn and Mr. Mohun briefly met with Mr. Steve Chihos and will update the Board when they have more data. 	
17. Board Members Reports/Closing Remarks	<ul style="list-style-type: none"> There were none. 	
18. Closed Session Continued, If Necessary	The meeting reconvened into closed session at 7:44 p.m	
19. Open Session	The meeting reconvened into open session at 8:57 p.m.	
20. Report of any Reportable Actions Taken in closed session	<ul style="list-style-type: none"> Mr. Kahn stated there was a modification in the 5/10/13 Special Board Meeting minutes in the Reportable Actions Taken in Closed Session: "Following the conclusion of the closed session to discuss litigation, the Board Chair announced that during the closed session the board acted to authorize legal counsel for the District to provide notification of termination of its contract for EMR services to CPSI based upon the material breach of that contract by CPSI." There were no reportable items from this closed session. 	



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21. Adjourn	The meeting adjourned at 8:58 p.m.	

mcc